

DOE Lessons Learned Template

Title: Improvements to contract fee payment process

Date: 06/13/05

Identifier: 2005-RF-03

Lessons Learned Statement: Revision of the Fee Curve.

Discussion of Activities: When it became apparent that the contractor was going to achieve the maximum allowable fee, the Federal staff realized they would have to take action to make sure that the contractor maintained a sense of urgency through the end of the contract. Rocky Flats staff devised an extension to the fee curve based on a smaller total project cost. The contractor agreed to take on additional scope for the opportunity to earn more by saving more. The contractor for the extension would earn \$0.20 for every dollar savings earned for DOE.

Analysis (May be incorporated into the Discussion): Federal and Contractor Staff needs to keep a mindset of urgency. This closure site has been a very dynamic environment requiring safety decisions and solutions to be short turn around times, innovative, effective, and practical to implement under the conditions at hand. One must either be part of solutions or get out of the way.

Recommended Actions: Make sure provisions are in place to keep a sense of urgency in place.

Estimated Savings/Cost Avoidance (if applicable): \$400,000

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